

BID, OR ELSE

The regulator has warned DTAC it must bid for both spectrum auctions this year or lose its 2G remedy. **B3**

DTAC prodded over 2nd auction round



A sign advertising the auction for the 1800-megahertz spectrum seen at the NBTC's office last month.
SOMCHAI POOMLARD

NBTC says 2G remedy contingent on bids

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Total Access Communication (DTAC), the country's third-largest mobile operator, will inevitably have to bid in the second round of the 1800- and 900-megahertz spectra auctions next month in exchange for the right to continue servicing its existing 2G network users after its concession ends on Sept 15, says the telecom regulator.

According to a resolution of the National Broadcasting and Telecommunications Commission (NBTC) board yesterday, DTAC will have to submit bid documents with bid guarantees for each of the planned second-round auctions on Aug 8 if the company wants to express its intention to use the spectra ranges after the concession expiry date.

PRICE CUT

Additionally, the NBTC board yesterday approved the new reserve price for the 900MHz licence auction at 35.9 billion baht, a drop of 2 billion from the original reserve price.

The NBTC will require the winner of the 900MHz licence to use the 2-billion-baht reduction to install a system that prevents signal interference with the adjacent range.

Previously, the regulator allocated 10MHz of bandwidth (upload and download) from the 900MHz spectrum for the government's incomplete high-speed train project.

NO BID, NO REMEDY

"If DTAC needs to continue using spectra ranges under CAT Telecom's concession after the Sept 15 expiry date, it must bid for both spectra ranges, not only for the 900MHz," said NBTC secretary-general Takorn Tantasith.

Mr Takorn said Section 3 of the NBTC's remedy measure regulations states that if the NBTC has not auctioned spectra by the time the concession ends, the operator with the concession is allowed to continue serving its remaining users to prevent service disruption.

But Mr Takorn said the planned auctions of the 1800MHz and 900MHz spectra are very different because the NBTC had planned the timelines for both ranges to occur before the expiry of DTAC's concession.

But the first-round was aborted since no prospective bidders submitted bid docu-

ments on June 15.

The NBTC had previously set the auction date of the 1800MHz licence auction on Aug 4.

The latest resolution of the NBTC board agreed to auction the 900MHz licences on Aug 18 and the 1800MHz licences on Aug 18.

"If DTAC doesn't join both of the planned auctions, it will not be eligible for remedy under Section 3 of the NBTC's remedy measure regulations," said Mr Takorn.

DTAC now operates mobile services through the 1800- and 850MHz spectra under a concession from CAT Telecom, which will end on Sept 15.

The NBTC plans to auction one 900MHz licence (upgrading from DTAC's 850MHz) containing 10MHz of bandwidth for upload and download, and nine slots of the 1800MHz spectrum, each with 10MHz of bandwidth.

The reserve price of the 900MHz licence is 36 billion baht, while the reserve price of each slot of the 1800MHz spectrum set at 12.4 billion.

Recently, DTAC's chief executive Lars Norling committed to joining the 900MHz licence auction through an official letter submitted to the telecom regulator.

If DTAC joins the 900MHz auction and acquires a licence, the company will need

to keep a total of 20MHz of bandwidth for another two years as stipulated in CAT'S original concession, according to the company's letter to the regulator. During that period, a part of that 10MHz of bandwidth may be used by the government's high-speed train project.

DTAC says the company now has 13,000 base stations under the 850MHz concession, and needs time to optimise the equipment in compliance with the NBTC's plan to upgrade the 850MHz block to a 900MHz block as planned.

Mr Takorn said he strongly believes DTAC will join the planned 900- and 1800-MHz auctions, even if DTAC's letter to the NBTC only mentioned the 900MHz licence.

But if DTAC acquires 900- and 1800-MHz licences, the company will not need remedy assistance since it can legally continue to provide services through those spectra ranges, which it will win automatically.